## <u>REMARKS</u>

Claims 1-20 are now pending in this application for which applicant seeks reconsideration.

## Amendment

Independent claims 1, 5, 9, 13, and 16 have been amended to positively define that the secondary work by the one user is a modified version of a digital content provided by the content proprietor. New claims 17-20 have been added to further define that the digital content is music. No new matter has been introduced.

## Art Rejection

Claims 1-16 were rejected under 35 U.S.C. § 103(a) as unpatentable over Yamanaka (USPGP 2001/0016834) in view of the ImgRadio article (*Imagine Radio Debuts a New Generation of Customized Radio*). Applicant traverses this rejection because the combination urged by the examiner still would not have disclosed or taught allowing secondary work to be distributed as set forth in independent claims 1, 5, 9, and 13.

Independent claims 1, 5, 9, and 13 each call for receiving a secondary work, which is a modified work of another, from a user via a first user terminal (i.e., one of the plurality of user terminals). Moreover, these claims call for receiving a request for delivery of the registered digital content from a second user terminal (i.e., another of the plurality of user terminals). The registered digital content is delivered to another user via the second user terminal when the request from the another user over the computer network is received.

Previously, applicant explained that Yamanaka would not have disclosed or taught submitting works of others by the users (including the holder 3a or user 1a) of the service who are not the creators or owners. Indeed, Yamanaka defines the holder as one holding the right to permit a third person(s) to use/distribute the digital content of the holder. Specifically, in Yamanaka when the digital content right is transferred from the creator to another, the another becomes the holder. Moreover, when a person (authorized by the creator of the digital content) is authorized to permit others to use/distribute the digital content, that person also becomes the holder. Moreover, when the holder authorizes another person to use/distribute the digital content, that another person also becomes the holder. In short Yamanaka discloses that the holder can be different from the creator. See paragraph 139.

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Yamanaka does not disclose or teach that the holder or user can create/distribute the secondary work, namely a modified version of the original content. The examiner agrees, but now relies on the ImgRadio article for the proposition that submitting/distributing works of others with modifications would have been obvious, and that submitting or receiving the protected work with a notice would have been well known.

The ImgRadio article indeed discloses enabling one user (one terminal) to create a station with the user's own playlist or program to be played. The user created station can be shared, namely played by another user (via another terminal). The examiner, however, erroneously asserts that the one user created station corresponds to a secondary work of another. The station (i.e., playlist) created by the one user is not a secondary work of another, but a first creation by the one user. Indeed, a playlist or station is a creation that requires no permission from anyone and is not a modification of anything. In other words, it is not a secondary work of another since it does nothing to change the content of the station, i.e., songs in the playlist, or the playlist itself. That is, the content of each of the songs in the playlist remains untouched or unmodified, and the playlist has no association with the content proprietor whatsoever, as it is merely a list of songs to be played in some order. Moreover, the one user who created the station or playlist does not provide the content of the songs. Rather, once the playlist or station has been uploaded to the server, it is the server that provides the songs contained therein to other users. The ImgRadio article simply discloses nothing about allowing other user to modify the playlist or station created by another. Accordingly, the ImgRadio article would not have taught creating a secondary work as set forth in independent claims 1, 5, 9, and 13.

Applicant thus submits that the combination would not have taught the claimed invention even if the combination were deemed proper for argument's sake. Specifically, the combination still would not have taught allowing the secondary work to be received, registered, and delivered to another user. Specifically, the combination would not have disclosed or taught handling a secondary work while protecting the proprietor of the original work. More specifically, the combination simply would not have taught permitting a secondary work (together with status information indicating that the sent digital content is subject to the legal protection and identifying the content proprietor) to be received from any of the user, registering the received secondary work, receiving a request to deliver the same from another user, and delivering the same to the another user, and allocating at least part of the advertisement fees collected from

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the subscribing advertisers to the content proprietor of the registered digital content identified by the status information, as set forth in independent claims 1, 5, 9, and 13.

## Conclusion

Applicant submits that claims 1-16 patentably distinguish over the applied references and are in condition for allowance. Should the examiner have any issues concerning this reply or any other outstanding issues remaining in this application, applicant urges the examiner to contact the undersigned to expedite prosecution.

Respectfully submitted,

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18 OCTOBER 2007

DATE

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REG. No. 34,079 (RULE 34, WHERE APPLICABLE)

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